



PUBLIC NOTICE

RECEIVED

DEC 30 1998

FEDERAL COMMUNICATIONS COMMISSION
1919 M STREET, N.W.
WASHINGTON, D.C. 20554

FCC MAIL ROOM
DA 98-2533

News media information 202/418-0500 Fax-On-Demand 202/418-2830 Internet: <http://www.fcc.gov> <ftp.fcc.gov>

COMMON CARRIER BUREAU TO POST ON THE INTERNET MODIFICATIONS TO THE FORWARD-LOOKING ECONOMIC COST MODEL FOR UNIVERSAL SERVICE SUPPORT

CC Docket Nos. 96-45, 97-160

Released: December 15, 1998

In the *Platform Order* released on October 28, 1998, the Commission adopted a forward looking cost model to be used in determining federal universal service high cost support for non-rural carriers.¹ In this Public Notice, the Common Carrier Bureau (Bureau) announces that it will periodically post on the Commission's website, as necessary, an updated version of the forward-looking economic cost model and a summary of any modifications or updates to the model.

In the *Platform Order*, the Commission adopted the model "platform" to be used to determine federal universal service high cost support for non-rural LECs. The platform establishes the aspects of the model that are essentially fixed -- primarily assumptions about the design of the network and network engineering and fixed characteristics such as soil and terrain.² The Commission noted that it will find opportunities to make technical improvements to the cost model, both before implementation of the model for non-rural carriers on July 1, 1999 and on an ongoing basis.³ The Commission therefore delegated to the Bureau the authority to make changes or direct that changes be made to the model as necessary and appropriate to ensure that the platform of the federal mechanism operates as described in the *Platform Order*.⁴

As contemplated in the *Platform Order*, Commission staff and interested parties have continued to review the model to ensure that it operates as intended. As a result, some refinements have been made to the model platform adopted in the *Platform Order*. In an effort to keep the public informed of modifications and updates made to the forward-looking cost model adopted in the *Platform Order*, and ensure that interested parties have access to

¹ *Federal-State Joint Board on Universal Service*, Fifth Report and Order, CC Docket Nos. 96-45, 97-160, FCC 98-279 (rel. Oct. 28, 1998) (*Platform Order*).

² *Platform Order* at para. 4.

³ *Platform Order* at para. 13.

⁴ *Platform Order* at para. 13.

the most current version of the model, the Bureau will maintain on the Commission's website (http://www.fcc.gov/Bureaus/Common_Carrier/Other/hcpm) the current version of the model and a list of modifications that have been made to the model.⁵ The list will provide a brief summary of each modification to the cost model and will be updated on the first and third Tuesday of each month, as necessary. Updates to the documentation for the model will also be made on these dates, as necessary. The current documentation was updated on December 4, 1998.

For further information, please contact: Katie King, Accounting Policy Division, Common Carrier Bureau, (202) 418-7400.

⁵ The Bureau intends to create a file (history.doc) on the website that will contain the list of modifications to the model.